

Duke Energy Progress, LLC  
(South Carolina)

SC Schedule PP-~~56~~  
Superseding SC Schedule PP-~~25~~

## PURCHASED POWER SCHEDULE PP-~~56~~

### AVAILABILITY

Upon Seller's completion and ~~Company's~~ acceptance by Duke Energy Progress, LLC ("Company") of a Purchase Power Agreement, this Schedule is available for electrical energy and capacity supplied by Eligible Qualifying Facilities (as defined below) to Company, provided Seller is a Qualifying Facility as defined by the Federal Energy Regulatory Commission's ("FERC") Order No. 70 under Docket No. RM79-54 and 18 C.F.R. §§ 292.203, 292.204, and 292.205. This Schedule is not available for electric service supplied by Company to Seller or to Seller who has negotiated rate credits or conditions with Company which are different from those below. This Schedule is not available to a Qualifying Facility owned by a Seller or affiliate or partner of a Seller, who sells power to Company from another Qualifying Facility of the same energy resource located within one-half mile, as measured from the electrical generating equipment, unless the combined capacity is equal to or less than two (2) megawatts.

Service necessary for the delivery of power from Seller's generating facilities into Company's system shall be furnished solely to the individual contracting Seller in a single enterprise, located entirely on a single, contiguous premise. Service hereunder shall be restricted to Company's purchase of energy or energy and capacity from Seller's generating facilities up to the Contract Capacity specified in the Purchase Power Agreement which may be operated in parallel with Company's system. Power delivered to Company under this Schedule shall not offset or be substituted for power contracted for or which may be contracted for under any other schedule of Company. If Seller requires supplemental, back-up, or standby services, Seller shall enter into a separate service agreement with Company in accordance with Company's applicable electric rates, riders, and Service Regulations on file with and authorized by the state regulatory agency having jurisdiction.

All Qualifying Facilities have the option to sell energy to Company on an "as available" basis and receive energy credits only calculated using the Variable Rates identified in this Schedule for the delivered energy. The Variable Energy Credit shall constitute the "as available" avoided cost credit for Eligible Qualifying Facilities. The Fixed Long Term Credit rates on this schedule are available only to otherwise eligible Sellers that establish a Legally Enforceable Obligation and execute a Purchase Power Agreement on or before the filing date of proposed rates in the next avoided cost proceeding, provided eligible Seller begins delivery of power no later than thirty (30) months from the date of the order approving the avoided cost rates in Docket No. ~~2019-186-E, which is July 2, 2022~~2021-90-E, but may be extended beyond 30 months if (i) construction is nearly complete and Seller demonstrates that it is making a good faith effort to complete its project in a timely manner, or (ii) where Seller's failure to begin delivery of power is due to Company's delays in completing interconnection facilities or system upgrades by the in-service date specified in the interconnection agreement between Seller and Company, Seller shall be given day-for-day extensions on its in-service date for any delays attributable to the in-service date of these interconnection facilities or system upgrades.

Sellers not qualifying for the Fixed Long-Term Credit rates remain eligible for the Variable Credit rates or the Fixed Long-Term Credit rates proposed in the next biennial avoided cost proceeding, which will be subject to adjustment if different rates are approved by the Public Service Commission of South Carolina ("Commission") in that proceeding.

### QUALIFYING FACILITIES ELIGIBLE FOR CAPACITY AND/OR ENERGY CREDITS

In order to be an Eligible Qualifying Facility and receive Energy Credits under this Schedule, the Qualifying Facility must be a hydroelectric or generator fueled by trash or methane derived from landfills, solar, wind, hog or poultry waste-fueled or non-animal biomass-fueled Qualifying Facility with a Contract Capacity of Effective for service rendered on and after ~~November 30, 2018~~April 22, 2021  
SCPSC Docket No. ~~2019-186-E~~2021-90-E, Order No. ~~2019-881(A)~~\_\_\_\_\_

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two (2) megawatts or less, based on the nameplate rating of the generator, which are interconnected directly with Company's system and which are Qualifying Facilities as defined by the Federal Energy Regulatory Commission pursuant to Section 210 of the Public Utility Regulatory Policies Act of 1978.

Capacity Credits are limited to Eligible Qualifying Facilities located within Company's service area that are classified as New Capacity in accordance with FERC Order No. 69 under Docket No. RM79-55 and interconnected to Company's transmission or distribution systems. Eligible Qualifying Facilities receiving Capacity Credits under this Schedule shall also receive corresponding Energy Credits of like term, as set forth in the "MONTHLY RATE" section of this Schedule.

### APPLICABILITY

This Schedule is applicable to all electric energy and capacity supplied by Eligible Qualifying Facility to Company at one point of delivery through Company's metering facilities.

### MONTHLY RATE

#### Monthly Payment

Company shall pay Eligible Qualifying Facilities for energy and/or capacity furnished to Company at the Credits set forth below as applicable. Such payments shall be reduced by the Seller Charge, Integration Services Charge and any applicable Interconnection Cost. Payments to Qualifying Facilities with Contract Capacities of 10 kW or less shall only be made on a calendar year basis.

#### Seller Charge

An Eligible Qualifying Facility shall pay to Company a Seller Charge outlined below in accordance with the Contract Capacity specified in the Purchase Power Agreement between Company and Seller:

Monthly Seller Charge	\$8.05
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#### Integration Services Charge

Due to incremental operations costs incurred with intermittent generation resources, Seller shall pay an integration services charge (the "Integration Services Charge"), which currently applies only to uncontrolled solar photovoltaic generation<sup>1</sup> facilities. The Integration Services Charge shall apply to uncontrolled solar photovoltaic Eligible Qualifying Facilities that either establish a Legally Enforceable Obligation or renew or otherwise extend a Purchase Power Agreement on or after November 30, 2018, including all Sellers served under Variable rates. This Integration Services Charge shall be in the amount specified and will be billed monthly based upon generated energy delivered to Company. The Integration Services Charge shall be subject to adjustment in future biennial avoided cost proceedings similar to other rates and charges, as addressed in the "RATE UPDATES" section of this Schedule. However, Sellers who have executed a Purchase Power Agreement will not be affected by future changes to the Integration Services Charge for the specified term of its Purchase Power Agreement.

Integration Services Charge:	\$0.00239 per kWh
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<sup>1</sup> "Uncontrolled solar photovoltaic generation" is defined as solar generation where the Qualifying Facility does not demonstrate that its facility is capable of operating or does not contractually agree to operate, in a manner that reduces its average daylight volatility to 6% or less of its average daylight power output. Eligible Qualifying Facilities with controlled solar photovoltaic generation shall be governed under a

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negotiated Purchase Power Agreement between Seller and Company, which shall be based on Company's standard Purchase Power Agreement and Terms and Conditions for the Purchase of Electric Power with additional terms added to address requirements for operating the technology used to reduce average daylight volatility.

### Energy and Capacity Credits

Eligible Qualifying Facilities for Company's Fixed Long-Term and/or Variable Energy and Capacity Credits shall be paid based upon Seller's interconnection with Company's distribution or transmission system for all energy delivered to Company's system as registered or computed from Company's metering facilities. The Energy and Capacity Credit will be in accordance with the length of rate term for energy sales so established in the Purchase Power Agreement. Company shall pay a Capacity Credit based on the on-peak kWh supplied by the Eligible Qualifying Facility based upon the season.

	<u>Interconnected to Distribution</u>			<u>Interconnected to Transmission</u>		
	<u>Variable Rate</u>	<u>Fixed Long-Term Rate (5 years)</u>	<u>Fixed Long-Term Rate (10 years)</u>	<u>Variable Rate</u>	<u>Fixed Long-Term Rate (5 years)</u>	<u>Fixed Long-Term Rate (10 years)</u>
<b><u>Energy Credits (¢/kWh)<sup>2</sup>:</u></b>						
On-peak kWh:						
a. Summer	<del>2.65</del> <u>2.94</u>	<del>2.93</del> <u>2.96</u>	<del>3.11</del> <u>3.00</u>	<del>2.59</del> <u>2.86</u>	<del>2.87</del> <u>2.88</u>	<del>3.04</del> <u>2.92</u>
b. Winter						
1. Morning Hours	<del>4.01</del> <u>3.75</u>	<del>3.50</del> <u>3.61</u>	<del>3.54</del> <u>3.92</u>	<del>3.95</del> <u>3.68</u>	<del>3.45</del> <u>3.54</u>	<del>3.48</del> <u>3.84</u>
2. Evening Hours	<del>3.14</del> <u>3.65</u>	<del>3.16</del> <u>3.76</u>	<del>3.42</del> <u>4.27</u>	<del>3.08</del> <u>3.57</u>	<del>3.11</del> <u>3.68</u>	<del>3.36</del> <u>4.18</u>
c. Premium Peak						
1. Summer	<del>3.12</del> <u>3.30</u>	<del>3.07</del> <u>3.16</u>	<del>3.30</del> <u>3.22</u>	<del>3.05</del> <u>3.21</u>	<del>3.00</del> <u>3.07</u>	<del>3.22</del> <u>3.12</u>
2. Winter	<del>3.08</del> <u>5.19</u>	<del>2.71</del> <u>4.82</u>	<del>3.58</del> <u>5.12</u>	<del>3.01</del> <u>5.04</u>	<del>2.65</del> <u>4.68</u>	<del>3.50</del> <u>4.98</u>
d. Shoulder	<del>2.70</del> <u>3.03</u>	<del>2.81</del> <u>3.04</u>	<del>2.98</del> <u>3.04</u>	<del>2.67</del> <u>2.99</u>	<del>2.78</del> <u>3.00</u>	<del>2.95</del> <u>3.00</u>
Off-peak kWh:						
a. Summer	<del>2.55</del> <u>2.68</u>	<del>2.51</del> <u>2.75</u>	<del>2.68</del> <u>2.83</u>	<del>2.52</del> <u>2.64</u>	<del>2.47</del> <u>2.71</u>	<del>2.65</del> <u>2.78</u>
b. Winter	<del>2.60</del> <u>3.05</u>	<del>2.62</del> <u>3.18</u>	<del>2.75</del> <u>3.49</u>	<del>2.56</del> <u>3.00</u>	<del>2.58</del> <u>3.13</u>	<del>2.71</del> <u>3.44</u>
c. Shoulder	<del>2.08</del> <u>2.62</u>	<del>2.11</del> <u>2.58</u>	<del>2.26</del> <u>2.61</u>	<del>2.06</del> <u>2.59</u>	<del>2.09</del> <u>2.55</u>	<del>2.24</del> <u>2.58</u>
<b><u>Capacity Credits (¢/kWh)<sup>3</sup>:</u></b>						
On-peak kWh:						
a. <del>Summer</del> <u>Winter</u>	<del>0.29</del> <u>0.00</u>	<del>0.30</del> <u>7.58</u>	<del>0.30</del> <u>10.29</u>	<del>0.29</del> <u>0.00</u>	<del>0.29</del> <u>7.43</u>	<del>0.30</del> <u>10.08</u>
b. <del>Winter</del>						
1. <del>Morning Hours</del>	<del>13.69</del>	<del>13.95</del>	<del>14.37</del>	<del>13.44</del>	<del>13.70</del>	<del>14.11</del>
2. <del>Evening Hours</del>	<del>5.95</del>	<del>6.07</del>	<del>6.25</del>	<del>5.84</del>	<del>5.96</del>	<del>6.14</del>

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- <sup>2</sup> For Energy Credit purposes, Summer months are defined as calendar months June through September, Winter months are defined as calendar months December through February, and Shoulder months are defined as March through May and October through November. Summer on-peak hours shall be Monday through Friday from 1:00 p.m. to 4:00 p.m. and 8:00 p.m. to 9:00 p.m. Winter on-peak hours shall be Monday through Friday with morning hours from 4:00 a.m. to 6:00 a.m. and 9:00 a.m. to 11:00 a.m., plus evening hours from 6:00 p.m. to 10:00 p.m. Shoulder on-peak hours shall be Monday through Friday with morning hours from 5:00 a.m. to 10:00 a.m. plus evening hours from 5:00 p.m. to 11:00 p.m. Summer premium peak hours shall be Monday through Friday from 4:00 p.m. to 8:00 p.m. Winter premium peak hours shall be Monday through Friday from 6:00 a.m. to 9:00 a.m. There are no premium peak hours for Shoulder months. All other hours, plus the following holidays, shall be off-peak: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after, and Christmas Day. When a holiday falls on a Saturday, the Friday before the holiday will be considered off-peak; when the holiday falls on a Sunday, the following Monday will be considered off-peak.
- <sup>3</sup> Capacity Credit shall only be applicable in ~~Summer months defined as the calendar months of July and August and~~ Winter months defined as calendar months of December through March. ~~Summer on-peak hours shall be 4:00 p.m. to 8:00 p.m. during all Summer days. During Winter months, the morning on-peak hours shall be all Winter days from 6:00 a.m. to 9:00 a.m. and evening on-peak hours shall be all Winter days from 6:00 p.m. to 9:00 p.m.~~ Capacity credits are not applicable in all other months.

#### POWER FACTOR CORRECTION

Unless Seller is required by an Operating Agreement to adjust VAR production to support voltage control, when Seller consumes VARs supplied by Company or Seller delivers VARs to Company, the monthly bill will be increased by a sum equal to \$0.30 multiplied by the maximum consumed or supplied reactive kilovolt-amperes (kVAR) registered by a demand meter suitable for measuring the demand used during a 15-minute interval. Company reserves the right to install facilities necessary for the measurement of power factor and to adjust the Interconnection Facilities Charge accordingly, solely at the option of Company.

#### RATE UPDATES

The Credits, Integration Services Charge and Seller Charge under this Schedule will be updated every two years. Sellers who have contracted for the Fixed Long-Term Energy and Capacity Credits will not be affected by updates in the Energy and Capacity Credits until their rate term expires. Sellers who have executed a Purchase Power Agreement will not be affected by future changes to the Integration Services Charge for the specified term of its Purchase Power Agreement. For all Qualifying Facilities selling to Company pursuant to the Variable Capacity Rate provisions of this Schedule, such Energy and eCapacity credits shall be updated and changed in accordance with the Commission's ~~revisions to such credits~~ orders in the Company's biennial avoided cost proceedings.

The sale, delivery, and use of electric power hereunder, and all services of whatever type to be rendered or performed in connection therewith, shall in all respects be subject to and in accordance with the Variable or Long-Term rates selected by Seller in Company's Schedule PP and the Terms and Conditions for the Purchase of Electric Power. Said Rate Schedule and Terms and Conditions for the Purchase of Electric Power are subject to change, revision, alteration or substitution, either in whole or in part, upon order of the Commission or any other regulatory authority having jurisdiction, and any such change, revision, alteration or substitution shall immediately be made a part of the Agreement as though fully written herein, and shall nullify any prior provision in conflict therewith. Any change to the Rate Schedule or Terms and Conditions shall not apply to the Fixed Long-Term Rates themselves, or the Integration Services Charge, but shall apply to all other provisions of the Rate Schedule and Terms and Conditions for the Purchase of Electric Power, including but not limited to Variable Rates, other types of charges, and all non-rate provisions. For Purchase Power Agreements executed pursuant to the Fixed Long-Term rates approved in Docket No.

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2019-186-E or its predecessors, any change to the Schedule shall not apply to the Fixed Long-Term Energy and Capacity Rates and the Integration Services Charge during the Contract Period.

#### RENEWABLE ENERGY CREDITS

Unless otherwise specified in Company's agreements with Seller, the sale of power under this Schedule does not convey to Company the right to renewable energy credits (RECs) or green tags associated with the energy delivered.

#### CONTRACT CAPACITY

The Contract Capacity shall be as specified in the Purchase Power Agreement between Company and Seller. Only one such Standard Contract shall be permitted for any Qualifying Facility.

#### PAYMENTS

Credit billings to Seller shall be payable to Seller within fifteen (15) days of the date of the bill. Bills under this Schedule are due and payable on the date of the bill. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a 1.5% late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

#### CONTRACT PERIOD

Each Seller shall enter into a Purchase Power Agreement which shall specify the Contract Capacity committed for delivery throughout the term of the contract and shall specify the initial term and associated rate.

#### INTERCONNECTION FACILITIES COSTS

For Eligible Qualifying Facilities, the installed costs for all facilities constructed or installed by Company to interconnect and safely operate in parallel with Seller's equipment shall be determined in accordance with Company's Terms and Conditions for the Purchase of Electric Power. When only the installation of Company's meter is required for the purchase of electric power, the \$25 minimum monthly Interconnection Facilities Charge shall not be applicable. Interconnection of Seller's generation to Company's system shall be in accordance with the South Carolina Generator Interconnection Procedures, Forms, and Agreements for State-Jurisdictional Interconnections.

#### SOUTH CAROLINA POWER EXCISE TAX

Seller shall be responsible for paying any and all taxes including, but not limited to, the Electric Power Excise Tax for the electric power generated by Seller's facilities, which may be imposed under Subsection (1) of S.C. Code Ann. §12-23-10 (1976), as amended, or any equivalent statute or regulations.

## PURCHASED POWER SCHEDULE PP-6

AVAILABILITY

Upon Seller's completion and acceptance by Duke Energy Progress, LLC ("Company") of a Purchase Power Agreement, this Schedule is available for electrical energy and capacity supplied by Eligible Qualifying Facilities (as defined below) to Company, provided Seller is a Qualifying Facility as defined by the Federal Energy Regulatory Commission's ("FERC") Order No. 70 under Docket No. RM79-54 and 18 C.F.R. §§ 292.203, 292.204, and 292.205. This Schedule is not available for electric service supplied by Company to Seller or to Seller who has negotiated rate credits or conditions with Company which are different from those below. This Schedule is not available to a Qualifying Facility owned by a Seller or affiliate or partner of a Seller, who sells power to Company from another Qualifying Facility of the same energy resource located within one-half mile, as measured from the electrical generating equipment, unless the combined capacity is equal to or less than two (2) megawatts.

Service necessary for the delivery of power from Seller's generating facilities into Company's system shall be furnished solely to the individual contracting Seller in a single enterprise, located entirely on a single, contiguous premise. Service hereunder shall be restricted to Company's purchase of energy or energy and capacity from Seller's generating facilities up to the Contract Capacity specified in the Purchase Power Agreement which may be operated in parallel with Company's system. Power delivered to Company under this Schedule shall not offset or be substituted for power contracted for or which may be contracted for under any other schedule of Company. If Seller requires supplemental, back-up, or standby services, Seller shall enter into a separate service agreement with Company in accordance with Company's applicable electric rates, riders, and Service Regulations on file with and authorized by the state regulatory agency having jurisdiction.

All Qualifying Facilities have the option to sell energy to Company on an "as available" basis and receive energy credits only calculated using the Variable Rates identified in this Schedule for the delivered energy. The Variable Energy Credit shall constitute the "as available" avoided cost credit for Eligible Qualifying Facilities. The Fixed Long Term Credit rates on this schedule are available only to otherwise eligible Sellers that establish a Legally Enforceable Obligation and execute a Purchase Power Agreement on or before the filing date of proposed rates in the next avoided cost proceeding, provided eligible Seller begins delivery of power no later than thirty (30) months from the date of the order approving the avoided cost rates in Docket No. 2021-90-E, but may be extended beyond 30 months if (i) construction is nearly complete and Seller demonstrates that it is making a good faith effort to complete its project in a timely manner, or (ii) where Seller's failure to begin delivery of power is due to Company's delays in completing interconnection facilities or system upgrades by the in-service date specified in the interconnection agreement between Seller and Company, Seller shall be given day-for-day extensions on its in-service date for any delays attributable to the in-service date of these interconnection facilities or system upgrades.

Sellers not qualifying for the Fixed Long-Term Credit rates remain eligible for the Variable Credit rates or the Fixed Long-Term Credit rates proposed in the next biennial avoided cost proceeding, which will be subject to adjustment if different rates are approved by the Public Service Commission of South Carolina ("Commission") in that proceeding.

**QUALIFYING FACILITIES ELIGIBLE FOR CAPACITY AND/OR ENERGY CREDITS**

In order to be an Eligible Qualifying Facility and receive Energy Credits under this Schedule, the Qualifying Facility must be a hydroelectric or generator fueled by trash or methane derived from landfills, solar, wind, hog or poultry waste-fueled or non-animal biomass-fueled Qualifying Facility with a Contract Capacity of two (2) megawatts or less, based on the nameplate rating of the generator, which are interconnected directly Effective for service rendered on and after April 22, 2021  
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with Company's system and which are Qualifying Facilities as defined by the Federal Energy Regulatory Commission pursuant to Section 210 of the Public Utility Regulatory Policies Act of 1978.

Capacity Credits are limited to Eligible Qualifying Facilities located within Company's service area that are classified as New Capacity in accordance with FERC Order No. 69 under Docket No. RM79-55 and interconnected to Company's transmission or distribution systems. Eligible Qualifying Facilities receiving Capacity Credits under this Schedule shall also receive corresponding Energy Credits of like term, as set forth in the "MONTHLY RATE" section of this Schedule.

### APPLICABILITY

This Schedule is applicable to all electric energy and capacity supplied by Eligible Qualifying Facility to Company at one point of delivery through Company's metering facilities.

### MONTHLY RATE

#### Monthly Payment

Company shall pay Eligible Qualifying Facilities for energy and/or capacity furnished to Company at the Credits set forth below as applicable. Such payments shall be reduced by the Seller Charge, Integration Services Charge and any applicable Interconnection Cost. Payments to Qualifying Facilities with Contract Capacities of 10 kW or less shall only be made on a calendar year basis.

#### Seller Charge

An Eligible Qualifying Facility shall pay to Company a Seller Charge outlined below in accordance with the Contract Capacity specified in the Purchase Power Agreement between Company and Seller:

Monthly Seller Charge	\$8.05
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#### Integration Services Charge

Due to incremental operations costs incurred with intermittent generation resources, Seller shall pay an integration services charge (the "Integration Services Charge"), which currently applies only to uncontrolled solar photovoltaic generation<sup>1</sup> facilities. The Integration Services Charge shall apply to uncontrolled solar photovoltaic Eligible Qualifying Facilities that either establish a Legally Enforceable Obligation or renew or otherwise extend a Purchase Power Agreement on or after November 30, 2018, including all Sellers served under Variable rates. This Integration Services Charge shall be in the amount specified and will be billed monthly based upon generated energy delivered to Company. The Integration Services Charge shall be subject to adjustment in future biennial avoided cost proceedings similar to other rates and charges, as addressed in the "RATE UPDATES" section of this Schedule. However, Sellers who have executed a Purchase Power Agreement will not be affected by future changes to the Integration Services Charge for the specified term of its Purchase Power Agreement.

Integration Services Charge:	\$0.00239 per kWh
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<sup>1</sup> "Uncontrolled solar photovoltaic generation" is defined as solar generation where the Qualifying Facility does not demonstrate that its facility is capable of operating or does not contractually agree to operate, in a manner that reduces its average daylight volatility to 6% or less of its average daylight power output. Eligible Qualifying Facilities with controlled solar photovoltaic generation shall be governed under a negotiated Purchase Power Agreement between Seller and Company, which shall be based on Company's

standard Purchase Power Agreement and Terms and Conditions for the Purchase of Electric Power with additional terms added to address requirements for operating the technology used to reduce average daylight volatility.

### Energy and Capacity Credits

Eligible Qualifying Facilities for Company's Fixed Long-Term and/or Variable Energy and Capacity Credits shall be paid based upon Seller's interconnection with Company's distribution or transmission system for all energy delivered to Company's system as registered or computed from Company's metering facilities. The Energy and Capacity Credit will be in accordance with the length of rate term for energy sales so established in the Purchase Power Agreement. Company shall pay a Capacity Credit based on the on-peak kWh supplied by the Eligible Qualifying Facility based upon the season.

<u>Interconnected to Distribution</u>			<u>Interconnected to Transmission</u>		
<u>Variable</u>	<u>Fixed</u>	<u>Fixed</u>	<u>Variable</u>	<u>Fixed</u>	<u>Fixed</u>
<u>Rate</u>	<u>Long-</u>	<u>Long-</u>	<u>Rate</u>	<u>Long-</u>	<u>Long-</u>
	<u>Term Rate</u>	<u>Term Rate</u>		<u>Term Rate</u>	<u>Term Rate</u>
	<u>(5 years)</u>	<u>(10 years)</u>		<u>(5 years)</u>	<u>(10 years)</u>

### Energy Credits (¢/kWh)<sup>2</sup>:

On-peak kWh:

a. Summer	2.94	2.96	3.00	2.86	2.88	2.92
b. Winter						
1. Morning Hours	3.75	3.61	3.92	3.68	3.54	3.84
2. Evening Hours	3.65	3.76	4.27	3.57	3.68	4.18
c. Premium Peak						
1. Summer	3.30	3.16	3.22	3.21	3.07	3.12
2. Winter	5.19	4.82	5.12	5.04	4.68	4.98
d. Shoulder	3.03	3.04	3.04	2.99	3.00	3.00

Off-peak kWh:

a. Summer	2.68	2.75	2.83	2.64	2.71	2.78
b. Winter	3.05	3.18	3.49	3.00	3.13	3.44
c. Shoulder	2.62	2.58	2.61	2.59	2.55	2.58

### Capacity Credits (¢/kWh)<sup>3</sup>:

On-peak kWh:

a. Winter	0.00	7.58	10.29	0.00	7.43	10.08
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<sup>2</sup> For Energy Credit purposes, Summer months are defined as calendar months June through September, Winter months are defined as calendar months December through February, and Shoulder months are defined as March through May and October through November. Summer on-peak hours shall be Monday through Friday from 1:00 p.m. to 4:00 p.m. and 8:00 p.m. to 9:00 p.m. Winter on-peak hours shall be

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Monday through Friday with morning hours from 4:00 a.m. to 6:00 a.m. and 9:00 a.m. to 11:00 a.m., plus evening hours from 6:00 p.m. to 10:00 p.m. Shoulder on-peak hours shall be Monday through Friday with morning hours from 5:00 a.m. to 10:00 a.m. plus evening hours from 5:00 p.m. to 11:00 p.m. Summer premium peak hours shall be Monday through Friday from 4:00 p.m. to 8:00 p.m. Winter premium peak hours shall be Monday through Friday from 6:00 a.m. to 9:00 a.m. There are no premium peak hours for Shoulder months. All other hours, plus the following holidays, shall be off-peak: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after, and Christmas Day. When a holiday falls on a Saturday, the Friday before the holiday will be considered off-peak; when the holiday falls on a Sunday, the following Monday will be considered off-peak.

- <sup>3</sup> Capacity Credit shall only be applicable in Winter months defined as calendar months of December through March. On-peak hours shall be all Winter days from 4:00 a.m. to 9:00 a.m. Capacity credits are not applicable in all other months.

### POWER FACTOR CORRECTION

Unless Seller is required by an Operating Agreement to adjust VAR production to support voltage control, when Seller consumes VARs supplied by Company or Seller delivers VARs to Company, the monthly bill will be increased by a sum equal to \$0.30 multiplied by the maximum consumed or supplied reactive kilovolt-amperes (kVAR) registered by a demand meter suitable for measuring the demand used during a 15-minute interval. Company reserves the right to install facilities necessary for the measurement of power factor and to adjust the Interconnection Facilities Charge accordingly, solely at the option of Company.

### RATE UPDATES

The Credits, Integration Services Charge and Seller Charge under this Schedule will be updated every two years. Sellers who have contracted for the Fixed Long-Term Energy and Capacity Credits will not be affected by updates in the Energy and Capacity Credits until their rate term expires. Sellers who have executed a Purchase Power Agreement will not be affected by future changes to the Integration Services Charge for the specified term of its Purchase Power Agreement. For all Qualifying Facilities selling to Company pursuant to the Variable Capacity Rate provisions of this Schedule, such Energy and Capacity credits shall be updated and changed in accordance with the Commission's orders in the Company's biennial avoided cost proceedings.

The sale, delivery, and use of electric power hereunder, and all services of whatever type to be rendered or performed in connection therewith, shall in all respects be subject to and in accordance with the Variable or Long-Term rates selected by Seller in Company's Schedule PP and the Terms and Conditions for the Purchase of Electric Power. Said Rate Schedule and Terms and Conditions for the Purchase of Electric Power are subject to change, revision, alteration or substitution, either in whole or in part, upon order of the Commission or any other regulatory authority having jurisdiction, and any such change, revision, alteration or substitution shall immediately be made a part of the Agreement as though fully written herein, and shall nullify any prior provision in conflict therewith. Any change to the Rate Schedule or Terms and Conditions shall not apply to the Fixed Long-Term Rates themselves, or the Integration Services Charge, but shall apply to all other provisions of the Rate Schedule and Terms and Conditions for the Purchase of Electric Power, including but not limited to Variable Rates, other types of charges, and all non-rate provisions. For Purchase Power Agreements executed pursuant to the Fixed Long-Term rates approved in Docket No. 2019-186-E or its predecessors, any change to the Schedule shall not apply to the Fixed Long-Term Energy and Capacity Rates and the Integration Services Charge during the Contract Period.

### RENEWABLE ENERGY CREDITS

Unless otherwise specified in Company's agreements with Seller, the sale of power under this Schedule does not convey to Company the right to renewable energy credits (RECs) or green tags associated with Effective for service rendered on and after April 22, 2021

Duke Energy Progress, LLC  
(South Carolina)

SC Schedule PP-6  
Superseding SC Schedule PP-5

the energy delivered.

#### CONTRACT CAPACITY

The Contract Capacity shall be as specified in the Purchase Power Agreement between Company and Seller. Only one such Standard Contract shall be permitted for any Qualifying Facility.

#### PAYMENTS

Credit billings to Seller shall be payable to Seller within fifteen (15) days of the date of the bill. Bills under this Schedule are due and payable on the date of the bill. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a 1.5% late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

#### CONTRACT PERIOD

Each Seller shall enter into a Purchase Power Agreement which shall specify the Contract Capacity committed for delivery throughout the term of the contract and shall specify the initial term and associated rate.

#### INTERCONNECTION FACILITIES COSTS

For Eligible Qualifying Facilities, the installed costs for all facilities constructed or installed by Company to interconnect and safely operate in parallel with Seller's equipment shall be determined in accordance with Company's Terms and Conditions for the Purchase of Electric Power. When only the installation of Company's meter is required for the purchase of electric power, the \$25 minimum monthly Interconnection Facilities Charge shall not be applicable. Interconnection of Seller's generation to Company's system shall be in accordance with the South Carolina Generator Interconnection Procedures, Forms, and Agreements for State-Jurisdictional Interconnections.

#### SOUTH CAROLINA POWER EXCISE TAX

Seller shall be responsible for paying any and all taxes including, but not limited to, the Electric Power Excise Tax for the electric power generated by Seller's facilities, which may be imposed under Subsection (1) of S.C. Code Ann. §12-23-10 (1976), as amended, or any equivalent statute or regulations.

Standard Form Contract – Schedule PP(SC)

PSCSC Docket No. 2021-90-E

**PURCHASE POWER AGREEMENT**

between

**DUKE ENERGY PROGRESS, LLC**

and

**SELLER NAME**

**“Facility Name” Project**

**Contract Number:** \_\_\_\_\_

**Contract Date:** \_\_\_\_\_

**Initial Delivery Date:** \_\_\_\_\_

**PURCHASE POWER AGREEMENT BY A  
QUALIFYING COGENERATOR OR SMALL POWER PRODUCER**

THIS PURCHASE POWER AGREEMENT ("Agreement") is made this \_\_\_\_\_ day  
of \_\_\_\_\_, 20\_\_\_\_, by and between

**DUKE ENERGY PROGRESS, LLC**  
a South Carolina Limited Liability Company ("Company"),  
  
and

\_\_\_\_\_,  
a(n) [insert place of formation \_\_\_\_\_] [insert entity type \_\_\_\_\_] ("Seller"), for the  
" \_\_\_\_\_," Project

Seller hereby certifies that the Facility, as defined below, (is/is not) "new capacity", as defined by the Federal Energy Regulatory Commission ("FERC"), and that construction of the Facility (was/was not) commenced on or after November 9, 1978, and that the Facility is or will be a qualifying facility as defined by the Federal Energy Regulatory Commission ("FERC") pursuant to Section 210 of the Public Utility Regulatory Policies Act of 1978. The Facility as defined herein (the "Facility") shall consist of that certain [insert description of the Facility including fuel type and Nameplate Capacity rating in AC and DC] [where applicable, identify any Storage Resource connected to or incorporated into the Facility along with the Storage Resource's capacity (MW and MWh)] which is located at [insert facility address].

(Hereinafter, the parties are also referred to individually as "Party" and collectively as "Parties").

In consideration of the mutual covenants herein contained, the Parties hereto, for themselves, their successors and assigns, do hereby agree to the following:

**1. Service Requirements**

- 1.1 Seller shall sell and deliver exclusively to Company all of the electric power generated by the Facility, net of the Facility's own auxiliary electrical requirements and Company shall purchase, receive, use and pay for the same, subject to the conditions contained in this Agreement. Upon the completion of the installation, by Company, of its system upgrades and interconnection facilities at the point of delivery of Seller's and Company's conductors, Seller shall become responsible for the payment to Company of any and all charges that may apply, whether or not Seller actually delivers any electricity to Company. If Seller requests retail electric service for the Facility's auxiliary electrical requirements from Company when Seller's generation is reduced, such power shall be provided to Supplier pursuant to a separate electric service agreement under Company's rate tariffs appropriate for such service.
- 1.2 Electricity supplied by Seller shall be [single (1)/three (3)] phase, alternating at a frequency of approximately sixty (60) cycles, and at a delivery voltage of approximately \_\_\_\_\_ volts,

\_\_\_\_ wires at a sufficient power factor to maintain system operating parameters as specified by Company.

1.3 Delivery of said Seller's power shall be at a point of delivery described as follows:  
\_\_\_\_\_.

1.4 The Contract Capacity of the Facility, as defined in the Terms and Conditions for the Purchase of Electric Power is \_\_\_\_\_ AC kW/MW. The estimated annual energy production of the Facility is \_\_\_\_\_ kWh.

## 2. **Rate Schedule**

The sale, delivery, and use of electric power hereunder, and all services of whatever type to be rendered or performed in connection therewith, shall in all respects be subject to and in accordance with all the terms and conditions of Company's Purchased Power Schedule PP-\_\_\_\_ [*Variable Rate*]/[*5-year Fixed Long-Term Rate*], [*10-year Fixed Long-Term Rate*] for [*Distribution*]/[*Transmission*] Interconnection] ("Rate Schedule") and the Terms and Conditions for the Purchase of Electric Power, both of which are now on file with the Public Service Commission of South Carolina, ("Commission") and are hereby incorporated by reference and made a part hereof as though fully set forth herein. Said Rate Schedule and Terms and Conditions for the Purchase of Electric Power are subject to change, revision, alteration or substitution, either in whole or in part, upon order of said Commission or any other regulatory authority having jurisdiction, and any such change, revision, alteration or substitution shall immediately be made a part hereof as though fully written herein, and shall nullify any prior provision in conflict therewith.

The language above beginning with "Said Rate Schedule" shall not apply to the Fixed Long-Term Rates themselves, or the Integration Services Charge, but it shall apply to all other provisions of the Rate Schedule and Terms and Conditions for the Purchase of Electric Power, including but not limited to Variable Rates, other types of charges (e.g., administrative charges), and all non-rate provisions.

## 3. **Initial Delivery Date**

The term of this Agreement shall be a minimum of 5 years when contracting for capacity payments and shall begin upon the first date when energy is generated by the Facility and delivered to Company and continuing for the term specified in the Rate Schedule paragraph above and shall automatically extend thereafter at the as available rate unless terminated by either party by giving not less than thirty (30) days prior written notice. The term shall be for \_\_\_\_ years and shall begin no earlier than the date Company's Interconnection Facilities are installed and are ready to accept electricity from Seller which is requested to be \_\_\_\_\_. Company at its sole discretion may terminate this Agreement on July 2, 2022 (30 months following the date of the order initially approving the rates selection shown above which may be extended beyond 30 months if (i) construction is nearly complete and Seller demonstrates that it is making a good faith effort to complete its project in a timely manner, or (ii) where Seller's failure to begin delivery of power is due to Company's delays in completing interconnection facilities or system upgrades by the in-service date specified in the interconnection agreement between Seller and Company, Seller shall be given day-for-day extensions on its in-service date for any delays attributable to the in-service date of these interconnection facilities or system upgrades) if Seller is unable to provide generation capacity and energy production consistent with the energy production levels specified in Provision No. 1.4 above. This date may be extended by upon mutual agreement by both parties.

**4. Interconnection Facilities**

Unless otherwise required by Company, an Interconnection Agreement pursuant to the South Carolina Generator Interconnection Procedures, Forms, and Agreements for State-Jurisdictional Interconnections (Interconnection Standard) shall be executed by Seller, including payments of all charges and fees associated with the interconnection, before Company will accept this Agreement. *(Either sentence (a) or (b) as follows is inserted into the agreement as appropriate)* (a) The Interconnection Facilities Charge shall be specified in the Interconnection Agreement, or (b) The Interconnection Facilities Charge shall be 1.0% of the installed cost of metering equipment and is \$\_\_\_\_\_ per month.

**5. Energy Storage**

If the Facility is to be equipped with battery storage or other energy storage device (the "Storage Resource"), the Storage Resource shall be identified in this Agreement. In all cases, the Storage Resource must be charged solely by the Facility and the use of any Storage Resource shall be operated and equipped in accordance with the system operator's Energy Storage Protocol, a copy of which is attached hereto as Exhibit A, as may be modified from time to time by the system operator (the "Energy Storage Protocol").

**6. Reporting Requirements**

Upon request, Seller may be required to provide prior notice of annual, monthly, and day-ahead forecast of hourly production, as specified by Company. If Seller is required to notify Company of planned or unplanned outages, notification should be made as soon as known. Seller shall include the start time, the time for return to service, the amount of unavailable capacity, and the reason for the outage.

Upon the execution by Company and Seller in the block provided below, this Agreement together with attachments shall become an agreement for Seller to deliver and sell to Company and for Company to receive and purchase from Seller the electricity generated and delivered to Company by Seller from the above described qualifying generating facility at the rates, in the quantities, for the term, and upon the terms and conditions set forth herein.

**Witness as to Seller:**

_____	_____, Seller
Printed: _____	By _____
Printed: _____	Printed: _____
	Title _____
	This ____ day of _____, 20____

**ACCEPTED: DUKE ENERGY PROGRESS, LLC****Mail Payment/Bill to:**

By _____	_____
Title _____	_____
This ____ day of _____, 20____	_____

**Exhibit A**  
**Energy Storage Protocol For Schedule PP Sellers**

1. The Storage Resource must be on the DC side of the inverter and charged exclusively by the Facility.
2. The Storage Resource will be controlled by the Seller, within operational limitations described below.
3. The maximum output of the Facility, including any storage capability, at any given time shall be limited to the Facility's Contract Capacity as specified in the Agreement.
4. The discharge of stored energy is not permitted while the Facility has received or is subject to a curtailment instruction (i.e., System Operator Instruction) from the system operator.
5. Ramp rates for Storage Resource shall not exceed 10 percent of the Storage Resource's capacity (MW) on a per minute basis, up or down.
6. Scheduling for capturing peak pricing periods and other storage limitations:
  - a. For all (winter and summer) months/days with capacity rate hours ("Capacity Hours"), the Seller shall distribute any discharge of the storage device in a manner that levelizes (holds constant), on an expected basis, the total output of the Facility (combined output of solar generator and storage device) at the highest practical level over the duration of the Capacity Hours of such calendar day, except as limited by ramp rate criteria, inverter capability, and the Facility's Contract Capacity as specified in the Agreement.
    - i. For any storage discharge occurring on weekends and holidays where only Off-Peak energy rates apply, the Seller shall apply the same discharge logic (same hours for any desired discharge) that is applied to Weekdays/non-Holidays, for the respective month.
  - b. For the remaining (shoulder) months without Capacity Hour windows, the Seller shall distribute any discharge of the storage device in a way that levelizes (holds constant), on an expected basis, the total output of the Facility (combined output of solar generator and storage device) at the highest practical level during the full am on-peak energy period and/or full pm on-peak energy period of the Seller's discretion, except as limited by ramp rate criteria, inverter capability, and the Facility's Contract Capacity as specified in the Agreement.
7. Company reserves the right to add or modify operating restrictions specified in these Energy Storage Protocols to the extent necessary to comply with NERC Standards as such standards may be modified from time to time during the Term. Any such modification shall be implemented by Company in a Commercially Reasonable Manner and shall be applied to the Facility and Company's own generating assets on a non-discriminatory basis. If Seller can make a commercially reasonable demonstration to Company, which is approved by Company in its reasonable discretion, that the Facility does not contribute to potential NERC compliance violations for which the modifications have been implemented, then such modifications shall not apply to the Facility.
8. If identification of Capacity Hours changes over the course of the term of the Agreement, Seller will make Commercially Reasonable Efforts to work with Company to adjust the hours of charging/discharging to coincide with these updated hours. However, Seller shall not be obligated to do so in a way that compromises their original economic value contemplated for storage resource.

9. Seller will only be compensated for Energy and Capacity actually provided to Buyer in accordance with the terms of the Agreement.

Notes:

Other capitalized terms used in this Exhibit which have not been defined herein shall have the meaning ascribed to such terms in the Agreement to which this exhibit is attached.

## TERMS AND CONDITIONS FOR THE PURCHASE OF ELECTRIC POWER

I. PURCHASE POWER AGREEMENT

These “Terms and Conditions” provide a mechanism through which Duke Energy Progress, LLC, hereafter called “Company,” will agree to purchase energy or capacity or both from an Eligible Qualifying Facility as defined in the Purchased Power Schedule PP. The Purchase Power Agreement is solely for the purchase of electricity produced by Seller’s generation, net of generator auxiliary requirement, and does not provide for the sale of any electric service by Company to Seller.

- (a) Description - The Purchase Power Agreement (hereinafter sometimes termed “Agreement”) shall consist of (1) Company’s form of Purchase Power Agreement when signed by Seller and accepted by Company, (2) the applicable Schedule for the purchase of electricity as specified in the Purchase Power Agreement, and (3) these Terms and Conditions for the Purchase of Electric Power (hereinafter referred to as “Terms and Conditions”), and all changes, revisions, alterations therein, or substitutions therefor lawfully made.
- (b) Application of Terms and Conditions and Schedules - All Purchase Power Agreements in effect at the effective date of this tariff or that may be entered into in the future, are made expressly subject to these Terms and Conditions, and subject to all applicable Schedules as specified in the Purchase Power Agreement, and any changes therein, substitutions thereof, or additions thereto lawfully made, provided no change may be made in rates or in essential terms and conditions of this contract except by agreement of the parties to this contract or by order of the state regulatory authority having jurisdiction (hereinafter “Commission”).
- (c) Conflicts - In case of conflict between any provision of a Schedule and of these Terms and Conditions, the provision of the Schedule shall prevail.
- (d) Waiver - The failure of either Party to enforce or insist upon compliance with any of the terms or conditions of this Agreement shall not constitute a waiver or relinquishment of any such terms or conditions, but the same shall be and remain at all times in full force and effect.
- (e) Assignment of Agreement - A Purchase Power Agreement between Company and Seller may be transferred and assigned by Seller to any person, firm, or corporation purchasing or leasing and intending to continue the operation of the plant or business which is interconnected under such Agreement, subject to the written approval of Company. A Purchase Power Agreement shall not be transferred and assigned by Seller to any person, firm, or corporation that is party to any other purchase agreement under which a party sells or seeks to sell power to Company from another Qualifying Facility that is located within one-half mile, as measured from the electrical generating equipment. Company will grant such approval upon being reasonably satisfied that the assignee will fulfill the terms of the Agreement and if, at Company’s option, a satisfactory guarantee for the payment of any applicable bills is furnished by assignee. However, before such rights and obligations are assigned, the assignee must first obtain necessary approval from all regulatory bodies including, but not limited to, the Commission.
- (f) Notification of Assignment, Transfer or Sale - In the event of an assignment of the rights and obligations accruing to Seller under this Agreement, or in the event of any contemplated sale, transfer or assignment of the Facility, Seller shall, in addition to obtaining the approvals hereof, provide a minimum of 30 days prior written notice advising Company of any plans for such an assignment, sale or transfer.
- (g) Suspension of Sales Under Agreement at Seller's Request - If Seller is temporarily unable to produce the electricity contracted for due to physical destruction of, or damage to, his premises, Company will, upon written request of Seller, and for a period Company deems as reasonably

required to replace or repair such premises, suspend billing under the Agreement, exclusive of any Monthly Facilities Charges, effective with the beginning of the next sales period.

- (h) Termination of Agreement at Seller's Request - If Seller desires to terminate the Agreement, Company will agree to such termination if all bills for services previously rendered to Seller including any termination or other charges applicable under any Interconnection Agreement, plus any applicable termination charges, have been paid. Termination charges shall consist of any applicable termination charges for premature termination of capacity as set forth in paragraphs 4 and 6 of these Terms and Conditions. Company may waive the foregoing provision if Company has secured or expects to secure from a new occupant or operator of the premises an Agreement satisfactory to Company for the delivery of electricity to Company for a term not less than the unexpired portion of Seller's Agreement.
- (i) Company's Right to Terminate or Suspend Agreement - Company, in addition to all other legal remedies, may either terminate the Agreement or suspend purchases of electricity from Seller based on any of the following: (1) default or breach of the Agreement by Seller, (2) any fraudulent or unauthorized use of Company's meter, (3) failure to pay any applicable bills when due and payable, (4) any Material Alteration to the Facility without Company's consent, (5) any condition on Seller's side of the point of delivery actually known by Company to be, or which Company reasonably anticipates may be, dangerous to life or property, or (6) Seller's failure to deliver energy to Company for six (6) consecutive months. Termination of the Agreement shall be at Company's sole option and is only appropriate when Seller either cannot or will not cure its default.

No such termination or suspension, however, will be made by Company without written notice delivered to Seller, personally or by mail, stating what in particular in the Agreement has been violated, except that no notice need to be given in instances set forth in 1(i)(2) or 1(i)(5) above. For violations of Section 1(i)(1) and 1(i)3-4, Seller shall have thirty (30) calendar days after Seller's receipt of Company's written notice to cure the violation; for violations of Section 1(i)(6) Seller shall have five (5) calendar days after Seller's receipt of Company's written notice to cure the violation.

Failure of Company to terminate the Agreement or to suspend the purchase of electricity at any time after the occurrence of grounds therefor, or to resort to any other legal remedy or to exercise any one or more of such alternative remedies, shall not waive or in any manner affect Company's right later to resort to any one or more of such rights or remedies on account of any such ground then existing or which may subsequently occur.

Any suspension of the purchase of electricity by Company or termination of the Agreement upon any authorized grounds shall in no way operate to relieve Seller of Seller's liability to compensate Company for services and/or facilities supplied, nor shall it relieve Seller (1) of Seller's liability for the payment of minimum monthly charges during the period of suspension, nor (2) of Seller's liability for damages, if the Agreement has been terminated, in the amount of (a) the minimum monthly charges which would have been payable during the unexpired term of the Agreement plus (b) the Early Contract Termination charge as set forth in these Terms and Conditions.

- (j) Seller's Failure to Fulfill Commitment – Seller's that fail to fulfill the commitment to deliver electric power established in either a Legally Enforceable Obligation to Purchase or an executed Purchase Power Agreement shall be precluded from executing a new Agreement at a higher rate at the same location for the full term of the original contractual commitment.

## 2. CONDITIONS OF SERVICE

- (a) Company is not obligated to purchase electricity from Seller unless and until: (1) Company's form of Purchase Power Agreement is executed by Seller and accepted by Company; (2) in cases where

it is necessary to cross private property to accept delivery of electricity from Seller, Seller conveys or causes to be conveyed to Company, without cost to Company, a right-of-way easement, satisfactory to Company, across such private property which will provide for the construction, maintenance, and operation of Company's lines and facilities, necessary to receive electricity from Seller; provided, however, in the absence of a formal conveyance, Company nevertheless, shall be vested with an easement over Seller's premises authorizing it to do all things necessary including the construction, maintenance, and operation of its lines and facilities for such purpose; and (3) any inspection certificates or permits that may be required by law in the local area are furnished to Company. Where not required by law, an inspection by a Company-approved inspector shall be made at Seller's expense. In the event Seller is unable to secure such necessary rights of way, Seller shall reimburse Company for all costs Company may incur for the securing of such rights of way.

The obligation of Company in regard to service under the Agreement is dependent upon Company securing and retaining all necessary rights-of-way, privileges, franchises, and permits, for such service. Company shall not be liable to any Seller in the event Company is delayed or prevented from purchasing power by Company failure to secure and retain such rights-of-way, privileges, franchises, and permits.

- (b) Seller shall operate its Facility in compliance with all: (i) System Operator Instructions provided by Company, including any Energy Storage Protocols provided to Seller which have been approved by the Commission, if applicable; (ii) applicable operating guidelines established by the North American Electric Reliability Corporation ("NERC"); and (iii) the SERC Reliability Corporation ("SERC") or any successor thereto.
- (c) Seller shall submit an Interconnection Request as set forth in the South Carolina Generator Interconnection Procedures, Forms, and Agreements for State-Jurisdictional Interconnections. Company shall not be required to install facilities to support interconnection of Seller's generation or execute the Purchase Power Agreement until Seller has signed an Interconnection Agreement as set forth in the South Carolina Generator Interconnection Procedures, Forms, and Agreements for State-Jurisdictional Interconnections, as may be required by Company.
- (d) If electricity is received through lines which cross the lands of the United States of America, a state, or any agency or subdivision of the United States of America or of a state, Company shall have the right, upon 30 days' written notice, to discontinue receiving electricity from any Seller or Sellers interconnected to such lines, if and when (1) Company is required by governmental authority to incur expenses in the relocation or the reconstruction underground of any portion of said lines, unless Company is reimbursed for such expense by Sellers or customers connected thereto, or (2) the right of Company to maintain and operate said lines is terminated, revoked, or denied by governmental authority for any reason.

### 3. DEFINITIONS

- (a) "Auxiliary Load" shall mean power used to operate auxiliary equipment in the Facility necessary for power generation (such as pumps, blowers, fuel preparation machinery, and exciters).
- (b) "Company's conductors" shall mean Company's wires extending from the point of connection with Company's existing electric system to the point of delivery.
- (c) "Energy Storage Protocol" shall have the meaning specified in the Purchase Power Agreement.
- (d) "Facility" shall have the meaning specified in the Purchase Power Agreement.
- (e) "Interconnection" shall mean the connection of Company's conductors to Seller's conductors.

- (f) “Material Alteration” as used in this Agreement shall mean a modification to the Facility which renders the Facility description specified in this Agreement inaccurate in any material sense as determined by Company in a commercially reasonable manner including, without limitation, (i) the addition of a Storage Resource; (ii) a modification which results in an increase to the Contract Capacity, Nameplate Capacity (in AC or DC), generating capacity (or similar term used in the Agreement) (collectively the “Existing Capacity”), or (iii) a modification which results in a decrease to the Existing Capacity by more than five (5) percent. Notwithstanding the foregoing, the repair or replacement of equipment at the Facility (including solar panels) with like-kind equipment, which does not increase Existing Capacity or decrease the Existing Capacity by more than five percent (5%), shall not be considered a Material Alteration.
- (g) “Nameplate Capacity” shall mean the manufacturer’s kW<sub>AC</sub> nameplate rated output capability of the Facility as measured at the delivery point specified in AC. For multi-unit generator facilities, the “Nameplate Capacity” of the Facility shall be the sum of the individual manufacturer’s kW<sub>AC</sub> nameplate rated output capabilities of the generators. The Nameplate Capacity shall also include the DC rating of the Facility. For inverted-based generating facilities, the “Nameplate Capacity” shall be the manufacturer’s rated kW<sub>AC</sub> output on the inverters.
- (h) “Prudent Utility Practice” means those practices, methods, equipment, specifications, standards of safety, and performance, as the same may change from time to time, as are commonly used in the construction, interconnection, operation, and maintenance of electric power facilities, inclusive of delivery, transmission, and generation facilities and ancillaries, which in the exercise of good judgement and in light of the facts known at the time of the decision being made and activity being performed are considered: (i) good, safe, and prudent practices; (ii) are in accordance with generally accepted standards of safety, performance, dependability, efficiency, and economy in the United States; (iii) are in accordance with generally accepted standards of professional care, skill, diligence, and competence in the United States; and, (iv) are in compliance with applicable regulatory requirements and/or reliability standards. Prudent Utility Practices are not intended to be limited to the optimum practices, methods or acts to the exclusion of others, but rather are intended to include acceptable practices, methods and acts generally accepted in the energy generation and utility industry.
- (i) “Purchase” or “Purchase of electricity” shall be construed to refer to the electricity supplied to Company by Seller from the Facility.
- (j) “Seller’s conductors” shall mean Seller’s wires extending from the point of delivery to the switch box or other point where Seller’s circuits connect for the purpose of supplying the electricity produced by Seller.
- (k) “Storage Resource” means battery storage or other energy storage device installed at or connected behind the meter of the Facility.
- (l) “System Operator Instruction” means any order, action, requirement, demand, or direction, from the system operator in accordance with Prudent Utility Practice, and delivered to Seller in a non-discriminatory manner, to operate, manage and/or otherwise maintain safe and reliable operations of the system, including, without limitation, an order to suspend or interrupt any operational activity due to an emergency condition or force majeure event; provided however, a System Operator Instruction in response to an emergency condition, force majeure event, or operational condition relating specifically to or created by the Facility shall not be deemed or considered discriminatory.

#### 4. CONTRACT CAPACITY

- (a) The Contract Capacity shall be specified in the Purchase Power Agreement and shall not exceed the capacity specified in Seller’s Interconnection Agreement. This term shall mean the maximum

continuous electrical output capability expressed on an alternating current basis of the generator(s) at any time, at a power factor of approximately unity, without consuming VARs supplied by Company, as measured at the Point of Delivery and shall be the maximum kW<sub>AC</sub> delivered to Company during any billing period. Seller shall not exceed the Contract Capacity unless and until the increase has been agreed to in an amendment executed by Company and Seller and Seller's facilities have been upgraded to accept the actual or requested increase as may be required by Company in its commercially reasonable discretion.

- (b) Seller shall not change the Contract Capacity (AC or DC), without adequate notice to Company, and without receiving Company's prior written consent, and if such unauthorized increase causes loss of or damage to Company's facilities, the cost of making good such loss or repairing such damage shall be paid by Seller.
- (c) Company may require that a new Contract Capacity be determined when it reasonably appears that the capacity of Seller's generating facility or annual energy production will deviate from contracted or established levels for any reason, including, but not limited to, a change in water flow, steam supply, or fuel supply.
- (d) Seller may apply to Company to increase the Contract Capacity during the Contract Period and, upon approval by Company and execution of an amendment to implement the change by Company and Seller, future Monthly delivered capacities shall not exceed the revised Contract Capacity. If such increase in Contract Capacity results in additional costs associated with redesign or a resizing of Company's facilities, such additional costs to Seller shall be determined in accordance with the Interconnection Agreement.
- (e) Any Material Alteration to the Facility, including without limitation, an increase in the Existing Capacity or a decrease in the Existing Capacity by more than five (5) percent or the addition of energy storage capability shall require the prior written consent of Company, which may not be unreasonably withheld, conditioned or delayed, and shall not be effective until memorialized in an amendment executed by Company and Seller.

#### 5. ESTIMATED ANNUAL ENERGY PRODUCTION

The estimated annual energy production from the Facility specified in the Purchase Power Agreement shall be the estimated total annual kilowatt-hours registered or computed by or from Company's metering facilities for each time period during a continuous 12-month interval.

#### 6. EARLY CONTRACT TERMINATION

Early Contract Termination - If Seller terminates the Agreement, or the Agreement is terminated by Company as permitted in Section 1(i) prior to the expiration of the initial (or extended) term of the Purchase Power Agreement, the following payment shall be made to Company by Seller:

Seller shall pay to Company the total Energy and/or Capacity credits received in excess of the sum of what would have been received under the Variable Rate for Energy and/or Capacity Credits applicable at the initial term of the contract period and as updated every two years, plus interest. The interest should be the weighted average rate for new debt issued by Company in the calendar year previous to that in which the Agreement was commenced.

#### 7. CONTRACT RENEWAL

This Agreement shall be subject to renewal for subsequent term(s) at the option of Company on substantially the same terms and provisions and at a rate either (1) mutually agreed upon by the parties negotiating in good faith and taking into consideration Company's then avoided cost rates and other relevant factors, or (2) set by arbitration.

8. QUALITY OF ENERGY RECEIVED

- (a) Seller has full responsibility for the routine maintenance of its generating and protective equipment to insure that reliable, utility grade electric energy is being delivered to Company.
- (b) The Facility shall be operated in such a manner as to generate reactive power as may be reasonably necessary to maintain voltage levels and reactive area support as specified by Company. Any operating requirement is subject to modification or revision if warranted by future changes in the distribution or transmission circuit conditions.
- (c) Seller may operate direct current generators in parallel with Company through a synchronous inverter. The inverter installation shall be designed such that a utility system interruption will result in the removal of the inverter infeed into Company's system. Harmonics generated by a DC generator-inverter combination must not adversely affect Company's supply of electric service to, or the use of electric service by Company's other customers, and any correction thereof is the full responsibility of Seller.
- (d) In the event Company determines, based on calculations, studies, analyses, monitoring, measurement or observation, that the output of the Facility will cause or is causing Company to be unable to provide proper voltage levels to its customers, Seller shall be required to comply with a voltage schedule and/or reactive power output schedule as prescribed by Company.
- (e) All Material Alterations to the Facility shall require the prior written consent from Company, which shall not be unreasonably withheld, conditioned or delayed, and Seller shall provide Company written notification of any requested changes to the Facility, support equipment such as inverters, or interconnection facilities as soon as reasonably possible to allow Company adequate time to review such requested changes to ensure continued safe interconnection prior to implementation.
- (f) Failure of Seller to comply with either (a), (b), (c), (d) or (e) above will constitute grounds for Company to cease parallel operation with Seller's generation equipment and constitute grounds for termination or suspension of the Agreement as set forth under paragraph 1, above.

9. BILLING

- (a) Meters will be read and bills rendered monthly. Readings are taken each month at intervals of approximately thirty (30) days.
- (b) If Company is unable to read its purchase meter for any reason, Seller's production may be estimated by Company on the basis of Seller's production during the most recent preceding billing period for which readings were obtained, unless some unusual condition is known to exist. A bill or payment rendered on the basis of such estimate shall be as valid as if made from actual meter readings.
- (c) The term "Month" or "Monthly", as used in Company's Schedules and Riders, refers to the period of time between the regular meter readings by the Company, except that if the period covered by an initial or final bill, or due to rerouting of the meter reading schedule, is more than 34 or less than 28 days, the bill will be prorated based on a 30-day billing month.
- (d) Payments for capacity and/or energy will be made to Seller based on the rate schedule stated in the Purchase Power Agreement.
- (e) Company reserves the right to set off against any amounts due from Company to Seller, any amounts which are due from Seller to Company, including, but not limited to, unpaid charges pursuant to the Interconnection Agreement or past due balances on any accounts Seller has with Company for other services.

## 10. RECORDS

In addition to the regular meter readings to be taken monthly for billing purposes, Company may require additional meter readings, records, transfer of information, etc. as may be agreed upon by the Parties. Company reserves the right to provide to the Commission or the FERC or any other regulatory body, upon request, information pertaining to this Agreement, including but not limited to: records of the Facility's generation output and Company's purchases thereof (including copies of monthly statements of power purchases and data from load recorders and telemetering installed at the Facility); copies of this Agreement. Company will not provide any information developed solely by Seller and designated by Seller in writing to be "proprietary" unless required to do so by order of the Commission or the FERC or any other regulatory body or court, in which event, Company will notify Seller prior to supplying the proprietary information.

Seller shall provide to Company, on a monthly basis within ten (10) days of the meter reading date and in form to be mutually agreed upon by the Parties, information on the Facility's fuel costs (coal, oil, natural gas, supplemental firing, etc.), if any, for the power delivered to the Company during the preceding month's billing period.

## 11. METER STOPPAGE OR ERROR

In the event a meter fails to register accurately within the allowable limits established by the state regulatory body having jurisdiction, Company will adjust the measured energy for the period of time the meter was shown to be in error, and shall, as provided in the rules and regulations of the state regulatory body having jurisdiction, pay to Seller, or Seller shall refund to Company, the difference between the amount billed and the estimated amount which would have been billed had the meter accurately registered the kilowatt hours provided by Seller. No part of any minimum service charge shall be refunded.

## 12. POINT OF DELIVERY

The point of delivery is the point where Company's conductors are, or are to be, connected to Seller's conductors. Seller shall do all things necessary to bring its conductors to such point of delivery for connection to Company's conductors, and shall maintain said conductors in good order at all times. If Seller chooses to deliver power to Company through a point of delivery where Seller presently receives power from Company, then the point of delivery for the purchase of generation shall be the same point as the point of delivery for electric service.

## 13. INTERCONNECTION FACILITIES

If Seller is not subject to the terms and conditions of the South Carolina Generator Interconnection Procedures, Forms, and Agreements for State-Jurisdictional Interconnections, as approved by the Commission in Docket No. 2015-362-E, Order No. 2016-191 the following conditions shall apply to Interconnection Facilities necessary to deliver Seller's electricity to Company. Otherwise, the terms and conditions of the South Carolina Generator Interconnection Procedures, Forms, and Agreements for State-Jurisdictional Interconnections, as approved by the Commission in Docket No. 2015-362-E, Order No. 2016-191 govern.

- (a) By Company: Company shall install, own, operate, maintain, and otherwise furnish all lines and equipment located on its side of the point of delivery to permit parallel operation of Seller's facilities with Company's system. It shall also install and own the necessary metering equipment, and meter transformers, where necessary, for measuring the electricity delivered to Company, though such meter may be located on Seller's side of the point of delivery. Interconnection facilities, installed by either Company or Seller, solely for such purpose, include, but are not limited to connection, line extension, transformation, switching equipment, protective relaying, metering, telemetering, communications, and appropriate safety equipment.

Any interconnection facilities installed by Company necessary to receive power from Seller shall be considered Interconnection Facilities and shall be provided, if Company finds it practicable, under the following conditions:

- (1) The facilities will be of a kind and type normally used by or acceptable to Company and will be installed at a place and in a manner satisfactory to Company.
  - (2) Seller will pay to Company a Monthly Interconnection Facilities Charge based on 1.0 percent of the estimated original installed cost and rearrangement cost of all facilities, including metering, required to accept interconnection, but not less than \$25 per month; however, the \$25 minimum will not apply when the Interconnection Facilities consist only of the meter. The monthly charge for the Interconnection Facilities to be provided under this Agreement is subject to the rates, Service Regulations and conditions of Company as the same are now on file with the Commission and may be changed or modified from time to time upon approval by the Commission. Any such changes or modifications, including those which may result in increased charges for the Interconnection Facilities to be provided by Company, shall be made a part of this Agreement to the same effect as if fully set forth herein.
  - (3) If Company increases its investment in interconnection facilities or other special facilities required by Seller (including conversion of Company's primary voltage to a higher voltage), the Monthly Interconnection Facilities Charge for providing the additional facilities will be adjusted at that time. If the Monthly Interconnection Facilities Charge increases, Seller may terminate the Interconnection Facilities in accordance with the applicable termination paragraph 1 above, or continue Interconnection Facilities under the changed conditions.
  - (4) In lieu of the Monthly Interconnection Facilities Charge of 1.0 percent, Seller may elect to make a contribution equal to the total interconnection facilities investment, plus associated tax gross-ups. After such payment, the Monthly Interconnection Facilities Charge for the interconnection facilities will be 0.3 percent of said payment.
  - (5) The Monthly Interconnection Facilities Charge as determined shall continue regardless of the term of the Agreement until Seller no longer has need for such facilities. In the event Seller's interconnection facilities should be discontinued or terminated in whole or in part, such discontinuation or termination should be calculated in accordance with 1, above.
  - (6) Seller's wiring and appurtenant structures shall provide for the location, connection, and installation of Company's standard metering equipment or other equipment deemed necessary by Company for the metering of Seller's electrical output. Company shall, at its expense, be permitted to install, in Seller's wiring or equipment, any special metering devices or equipment as deemed necessary for experimental or monitoring purposes.
  - (7) Company shall furnish and install the Interconnection Facilities no later than the date requested by Seller for such installation. Seller's obligation to pay the Interconnection Facilities charges shall begin upon the earlier of (1) completion of the installation but no earlier than the requested in-service date specified in the Interconnection Agreement or (2) the first date when energy is generated and delivered to Company, and such charges shall apply at all times thereafter during the term of this Agreement, whether or not Seller is actually supplying electric power to Company.
- (b) By Seller: Seller shall install, own, operate, and maintain all lines, and equipment, exclusive of Company's meter and meter transformers, on Seller's side of the point of delivery. Seller will be the owner and have the exclusive control of, and responsibility for, all electricity on Seller's side

of the point of delivery. Seller must conform to the South Carolina Generator Interconnection Procedures, Forms, and Agreements for State-Jurisdictional Interconnections. Seller's wiring shall be arranged such that all electricity generated for sale can be supplied to one point of delivery and measured by a single meter. Company's meter may be located on Seller's side of the point of delivery, and when it is to be so located, Seller must make suitable provisions in Seller's wiring, at a place suitable to Company, for the convenient installation of the type of meter Company will use. All of Seller's conductors installed on Company's side of the meter and not installed in conduit must be readily visible.

Seller shall install and maintain devices adequate to protect Seller's equipment against irregularities on Company's system, including devices to protect against single-phasing. Seller shall also install and maintain such devices as may be necessary to automatically disconnect Seller's generating equipment, which is operated in parallel with Company, when service provided by Seller is affected by electrical disturbances on Company's or Seller's systems, or at any time when Company's system is de-energized from its prime source.

- (c) Access to Premises: The duly authorized agents of Company shall have the right of ingress and egress to the premises of Seller at all reasonable hours for the purpose of reading meters, inspecting Company's wiring and apparatus, changing, exchanging, or repairing Company's property on the premises of Seller, or removing such property at the time of or at any time after suspension of purchases or termination of this Agreement.
- (d) Protection: Seller shall protect Company's wiring and apparatus on Seller's premises and shall permit no one but Company's agents to handle same. In the event of any loss of or damage to such property of Company caused by or arising out of carelessness, neglect, or misuse by Seller or Seller's employees or agents, the cost of making good such loss or repairing such damage shall be paid by Seller. In cases where Company's service facilities on Seller's premises require abnormal maintenance due to Seller's operation, Seller shall reimburse Company for such abnormal maintenance cost.

#### 14. CONTINUANCE OF PURCHASES AND LIABILITY THEREFOR

The Parties do not guarantee continuous service but shall use reasonable diligence at all times to provide for uninterrupted acceptance and supply of electricity. Each Party shall at all times use reasonable diligence to provide satisfactory service for the acceptance or supply of electricity, and to remove the cause or causes in the event of failure, interruption, reduction or suspension of service for the acceptance or supply of electricity, but neither Party shall be liable for any loss or damage resulting from such failure, interruption, reduction or suspension of service, nor shall same be a default hereunder, when any interruption of service for the acceptance or supply of electricity is due to any of the following:

- (a) An emergency condition or action due to an adverse condition, event, and/or disturbance on Company's system, or on any other system directly or indirectly interconnected with it, which requires automatic or manual interruption of the supply of electricity to some customers or areas, or automatic or manual interruption, reduction, or cessation of the acceptance of electricity into Company's electrical system in order to limit the occurrence of or extent or damage of the adverse condition or disturbance to Company's system or capability to reliably provide service in compliance and accordance with prudent practices, regulatory requirements, and/or reliability standards, or to prevent damage to generating or transmission facilities, or to expedite restoration of service, or to effect a reduction in service to compensate for an emergency condition on an interconnected system. An emergency condition or action shall include any circumstance that requires action by Company to comply with any electric reliability organization or NERC/SERC regulations or standards, including without limitation

actions to respond to, prevent, limit, or manage loss or damage to Seller's Facility, reliability impairment, loss or damage to Company's system, disruption of generation by Seller, disruption of reliability or service on Company's system, an abnormal condition on the system, and/or endangerment to human life or safety.

- (b) An event or condition of force majeure, as described below.
- (c) Making necessary adjustments to, changes in, or repairs on Company lines, substations, and facilities, and in cases where, in its opinion, the continuance of service from Seller's premises would endanger persons or property.

Seller shall be responsible for promptly taking all actions requested or required by Company to avoid, prevent, or recover from the occurrence and/or imminent occurrence of any emergency condition and in response to any emergency condition or condition of force majeure, including without limitation installing and operating any equipment necessary to take such actions.

Seller shall be responsible for ensuring the safe operation of its equipment at all times, and will install and maintain, to Company's satisfaction, the necessary automatic equipment to prevent the back feed of power into, or damage to Company's de-energized system, and shall be subject to immediate disconnection of its equipment from Company's system if Company determines that such equipment is unsafe or adversely affects Company's transmission/distribution system or service to its other customers.

Seller assumes responsibility for and shall indemnify, defend, and save Company harmless against all liability, claims, judgments, losses, costs, and expenses for injury, loss, or damage to persons or property including personal injury or property damage to Seller or Seller's employees on account of defective construction, wiring, or equipment, or improper or careless use of electricity, on Seller's side of the point of delivery.

#### 15. FORCE MAJEURE

Circumstances beyond the reasonable control of a Party which solely cause that Party to experience delay or failure in delivering or receiving electricity or in providing continuous service hereunder, including: acts of God; unusually severe weather conditions; earthquake; strikes or other labor difficulties; war; riots; fire; requirements shall be deemed to be "events or conditions of force majeure". It also includes actions or failures to act on the part of governmental authorities (including the adoption or change in any rule or regulation or environmental constraints lawfully imposed by federal, state or local government bodies), but only if such requirements, actions or failures to act prevent or delay performance; or transportation delays or accidents. Events or conditions of force majeure do not include such circumstances which merely affect the cost of operating the Facility.

Neither Party shall be responsible nor liable for any delay or failure in its performance hereunder due solely to events or conditions of force majeure, provided that:

- (a) The affected Party gives the other Party written notice describing the particulars of the event or condition of force majeure, such notice to be provided within forty-eight (48) hours of the determination by the affected Party that an event or condition of force majeure has occurred, but in no event later than thirty (30) days from the date of the occurrence of the event or condition of force majeure;
- (b) The delay or failure of performance is of no longer duration and of no greater scope than is required by the event or condition of force majeure, provided that in no event shall such delay or failure of performance extend beyond a period of twelve (12) months;
- (c) The affected Party uses its best efforts to remedy its inability to perform;

- (d) When the affected Party is able to resume performance of its obligations under this Agreement, that Party shall give the other Party prompt written notice to that effect; and,
- (e) The event or condition of force majeure was not caused by or connected with any negligent or intentional acts, errors, or omissions, or failure to comply with any law, rule, regulation, order or ordinance, or any breach or default of this Agreement.

#### 16. INSURANCE

Seller shall obtain and retain, for as long as the generation is interconnected with Company's system, either the applicable home owner's insurance policy with liability coverage of at least \$100,000 per occurrence or the applicable comprehensive general liability insurance policy with liability coverage in the amount of at least \$300,000 per occurrence, which protects Seller from claims for bodily injury and/or property damage. This insurance shall be primary for all purposes. Seller shall provide certificates evidencing this coverage as required by Company. Company reserves the right to refuse to establish, or continue the interconnection of Seller's generation with Company's system, if such insurance is not in effect.

#### 17. GOVERNMENTAL RESTRICTIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either party or over this Agreement. This Agreement shall not become effective until all required governmental authorizations are obtained. Certification of receipt of all permits and authorizations shall be furnished by Seller to Company upon Company's request. This Agreement shall not become effective unless it and all provisions thereof are authorized and permitted by such governmental agencies without change or conditions.

This Agreement shall at all times be subject to changes by such governmental agencies, and the parties shall be subject to conditions and obligations, as such governmental agencies may, from time to time, direct in the exercise of their jurisdiction, provided no change may be made in rates or in essential terms and conditions of this contract except by agreement of the parties to this contract. Both parties agree to exert their best efforts to comply with all of the applicable rules and regulations of all governmental agencies having control over either party or this Agreement. The parties shall take all reasonable action necessary to secure all required governmental approval of this Agreement in its entirety and without change.

The delivery date, quantity, and type of electricity to be accepted for purchase by Company, from Seller, are subject to changes, restrictions, curtailments, or complete suspensions by Company as may be deemed by it to be necessary or advisable (a) on account of any lawful order or regulation of any municipal, State, or Federal government or agency thereof, or order of any court of competent jurisdiction, or (b) on account of any emergency due to war, or catastrophe, all without liability on the part of Company therefor.

PURCHASED POWER SCHEDULE FOR LARGE QUALIFYING FACILITIES PPL-34

AVAILABILITY

This Schedule is made available pursuant to Order No. 2020-315(A) for purchase by Duke Energy Progress, LLC ("Company") of electrical energy and capacity supplied by Small Power Producer Qualifying Facilities (as defined by Chapter 41 of Title 58 of the S.C. Code of Laws) with a nameplate capacity rating greater than two (2) megawatts ("Eligible Sellers") and delivered to Company's system upon execution of the standard Power Purchase Agreement – Large QF PPA approved by the Commission ("LQF PPA") by Eligible Seller and Company. The sale, delivery, and use of electric power hereunder, and all services of whatever type to be rendered or performed in connection therewith, shall in all respects be subject to and in accordance with the Company's LQF PPA. Consistent with S.C. Code Ann § 58-41-20(A) and the Public Utility Regulatory Policies Act of 1978, nothing herein restricts an Eligible Seller from entering into a Power Purchase Agreement with the Company with rates, terms and conditions that differ from this Schedule or the LQF PPA.

The Fixed Long-Term Credits offered in this Schedule are available only to Eligible Sellers that establish a legally enforceable obligation to sell and deliver power to Company through (i) negotiation and execution of a mutually-binding LQF PPA (or alternative form of Power Purchase Agreement acceptable to Company, in its sole discretion); or (ii) through Eligible Seller's execution and delivery of a Notice of Commitment Form, as approved by the Commission, which is accepted by Company to be complete and to establish the Eligible Seller's legally enforceable obligation date pursuant to the terms of the Notice of Commitment Form. Prior to an Eligible Seller establishing a legally enforceable obligation, the Long-Term Credits under this Schedule shall be indicative of Company's current avoided cost of energy and capacity but shall not be binding on either Company or the Eligible Seller and shall be subject to adjustment through updates to this Schedule unless and until the Eligible Seller establishes a legally enforceable obligation as set forth herein.

To obtain an LQF PPA or Notice of Commitment Form, an Eligible Seller may contact the Company at:

Duke Energy - Distributed Energy Technologies  
400 South Tryon Street  
Mail Code: ST 26A  
Charlotte, North Carolina 28202  
Attn.: Wholesale Renewable Manager  
[DERContracts@duke-energy.com](mailto:DERContracts@duke-energy.com)

Pursuant to Order No. 2020-315(A), the Company will continue to incorporate the most up-to-date inputs to avoided energy and avoided capacity costs for purposes of calculating avoided cost rates offered under this Schedule consistent with the methodology approved by the Commission and Company's most recent integrated resource plan. The Fixed Long-Term Credits identified in the Rate section of this Schedule shall only be available to Eligible Sellers that establish a legally enforceable obligation on or before the date that the Company submits updated Fixed Long-Term Credits under this Schedule to the Commission.

This Schedule is limited to power delivered to Company by Eligible Sellers under the LQF PPA. If Eligible Seller requires supplemental, back-up, or standby services, Eligible Seller shall enter into a separate service agreement with Company in accordance with Company's applicable electric rates, riders, and Service Regulations on file with and authorized by the state regulatory agency having jurisdiction. Nothing in this Schedule shall be interpreted as providing for interconnection to Company's system; such interconnection service must be contracted for separately pursuant to the South Carolina Generator Interconnection Procedures.

Duke Energy Progress, LLC  
(South Carolina Only)

Johnson DEP Exhibit 5  
SC Schedule PPL-34  
Superseding SC Schedule PPL-3

#### RATE

Company shall pay Eligible Sellers for energy and/or capacity furnished to Company at the Credits set forth below as applicable and such payments shall be reduced by the Solar Integration Services Charge, pursuant to the terms of the LQF PPA

#### Solar Integration Services Charge

The Solar Integration Services Charge, and avoidance thereof, is addressed in the LQF PPA.

Solar Integration Services Charge:      \$0.00239 per kWh

#### Energy and Capacity Credits

Eligible Sellers shall be paid based upon the Eligible Seller's interconnection with Company's distribution or transmission system for all energy delivered to Company's system as registered or computed from Company's metering facilities. The Energy and Capacity Credit provided herein is based on a contract term of ten (10) years.

<u>Fixed Long-Term Rate (10 years)</u>	<u>Fixed Long-Term Rate (10 years)</u>
<u>Interconnected to Distribution</u>	<u>Interconnected to Transmission</u>

**Energy Credits (¢/kWh)<sup>2</sup>:**

## On-peak kWh:

a. Summer	<u>3.00</u>	<u>2.92</u>
b. Winter		
1. Morning Hours	<u>3.443.92</u>	<u>3.393.84</u>
2. Evening Hours	<u>4.214.27</u>	<u>4.144.18</u>
c. Premium Peak		
1. Summer	<u>3.233.22</u>	<u>3.153.12</u>
2. Winter	<u>4.655.12</u>	<u>4.544.98</u>
d. Shoulder		
1. Morning/Evening Hours	<u>2.933.04</u>	<u>2.903.00</u>

## Off-peak kWh:

a. Summer	<u>2.762.83</u>	<u>2.722.78</u>
b. Winter	<u>3.553.49</u>	<u>3.513.44</u>
c. Shoulder	<u>2.462.61</u>	<u>2.442.58</u>

**Capacity Credits (¢/kWh)<sup>3</sup>:**

## On-peak kWh:

a. <del>Summer</del> <u>Winter</u>	<u>0.2410.29</u>	<u>0.2310.08</u>
b. <del>Winter</del>		
<del>1. Morning Hours</del>	<u>11.23</u>	<u>11.03</u>
<del>2. Evening Hours</del>	<u>4.88</u>	<u>4.79</u>

<sup>2</sup> For Energy Credit purposes, Summer months are defined as calendar months June through September, Winter months are defined as calendar months December through February, and Shoulder months are defined as March through May and October through November. Summer on-peak hours shall be Monday through Friday from 1:00 p.m. to 4:00 p.m. and 8:00 p.m. to 9:00 p.m. Winter on-peak hours shall be Monday through Friday with morning hours from 4:00 a.m. to 6:00 a.m. and 9:00 a.m. to 11:00 a.m., plus evening hours from 6:00 p.m. to 10:00 p.m. Shoulder on-peak hours shall be Monday through Friday with morning hours from 5:00 a.m. to 10:00 a.m. plus evening hours from 5:00 p.m. to 11:00 p.m. Summer premium peak hours shall be

Duke Energy Progress, LLC  
(South Carolina Only)

Johnson DEP Exhibit 5  
SC Schedule PPL-34  
Superseding SC Schedule PPL-3

Monday through Friday from 4:00 p.m. to 8:00 p.m. Winter premium peak hours shall be Monday through Friday from 6:00 a.m. to 9:00 a.m. There are no premium peak hours for Shoulder months. All other hours, plus the following holidays, shall be off-peak: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after, and Christmas Day. When a holiday falls on a Saturday, the Friday before the holiday will be considered off-peak; when the holiday falls on a Sunday, the following Monday will be considered off-peak.

- <sup>3</sup> Capacity Credit shall only be applicable in ~~Summer months defined as the calendar months of July and August and~~ Winter months defined as calendar months of December through March. ~~Summer on-peak hours shall be 4:00 p.m. to 8:00 p.m. during all Summer days. During Winter months, the morning on-peak hours shall be all Winter days from 6:00 a.m. to 9:00 a.m. and evening on-peak hours shall be all Winter days from 6:00 p.m. to 9:00 p.m.~~ Capacity credits are not applicable in all other months.

#### RENEWABLE ENERGY CREDITS

The sale of power under this Schedule does not convey to Company the right to renewable energy credits (RECs) or green tags associated with the energy delivered.

#### POWER FACTOR CORRECTION

For distribution-connected Eligible Sellers, unless Eligible Seller is required by an Operating Agreement to adjust VAR production to support voltage control, when Eligible Seller consumes VARs supplied by Company or Eligible Seller delivers VARs to Company, the monthly bill will be increased by a sum equal to \$0.30 multiplied by the maximum consumed or supplied reactive kilovolt-amperes (kVAR) registered by a demand meter suitable for measuring the demand used during a 15-minute interval.

Duke Energy Progress, LLC  
(South Carolina Only)

SC Schedule PPL-4  
Superseding SC Schedule PPL-3

## PURCHASED POWER SCHEDULE FOR LARGE QUALIFYING FACILITIES PPL-4

### AVAILABILITY

This Schedule is made available pursuant to Order No. \_\_\_\_\_ for purchase by Duke Energy Progress, LLC ("Company") of electrical energy and capacity supplied by Small Power Producer Qualifying Facilities (as defined by Chapter 41 of Title 58 of the S.C. Code of Laws) with a nameplate capacity rating greater than two (2) megawatts ("Eligible Sellers") and delivered to Company's system upon execution of the standard Power Purchase Agreement – Large QF PPA approved by the Commission ("LQF PPA") by Eligible Seller and Company. The sale, delivery, and use of electric power hereunder, and all services of whatever type to be rendered or performed in connection therewith, shall in all respects be subject to and in accordance with the Company's LQF PPA. Consistent with S.C. Code Ann § 58-41-20(A) and the Public Utility Regulatory Policies Act of 1978, nothing herein restricts an Eligible Seller from entering into a Power Purchase Agreement with the Company with rates, terms and conditions that differ from this Schedule or the LQF PPA.

The Fixed Long-Term Credits offered in this Schedule are available only to Eligible Sellers that establish a legally enforceable obligation to sell and deliver power to Company through (i) negotiation and execution of a mutually-binding LQF PPA (or alternative form of Power Purchase Agreement acceptable to Company, in its sole discretion); or (ii) through Eligible Seller's execution and delivery of a Notice of Commitment Form, as approved by the Commission, which is accepted by Company to be complete and to establish the Eligible Seller's legally enforceable obligation date pursuant to the terms of the Notice of Commitment Form. Prior to an Eligible Seller establishing a legally enforceable obligation, the Long-Term Credits under this Schedule shall be indicative of Company's current avoided cost of energy and capacity but shall not be binding on either Company or the Eligible Seller and shall be subject to adjustment through updates to this Schedule unless and until the Eligible Seller establishes a legally enforceable obligation as set forth herein.

To obtain an LQF PPA or Notice of Commitment Form, an Eligible Seller may contact the Company at:

Duke Energy - Distributed Energy Technologies  
400 South Tryon Street  
Mail Code: ST 26A  
Charlotte, North Carolina 28202  
Attn.: Wholesale Renewable Manager  
[DERContracts@duke-energy.com](mailto:DERContracts@duke-energy.com)

Pursuant to Order No. \_\_\_\_\_, the Company will continue to incorporate the most up-to-date inputs to avoided energy and avoided capacity costs for purposes of calculating avoided cost rates offered under this Schedule consistent with the methodology approved by the Commission and Company's most recent integrated resource plan. The Fixed Long-Term Credits identified in the Rate section of this Schedule shall only be available to Eligible Sellers that establish a legally enforceable obligation on or before the date that the Company submits updated Fixed Long-Term Credits under this Schedule to the Commission.

This Schedule is limited to power delivered to Company by Eligible Sellers under the LQF PPA. If Eligible Seller requires supplemental, back-up, or standby services, Eligible Seller shall enter into a separate service agreement with Company in accordance with Company's applicable electric rates, riders, and Service Regulations on file with and authorized by the state regulatory agency having jurisdiction. Nothing in this Schedule shall be interpreted as providing for interconnection to Company's system; such interconnection service must be contracted for separately pursuant to the South Carolina Generator Interconnection Procedures.

Duke Energy Progress, LLC  
(South Carolina Only)

SC Schedule PPL-4  
Superseding SC Schedule PPL-3

### RATE

Company shall pay Eligible Sellers for energy and/or capacity furnished to Company at the Credits set forth below as applicable and such payments shall be reduced by the Solar Integration Services Charge, pursuant to the terms of the LQF PPA

### Solar Integration Services Charge

The Solar Integration Services Charge, and avoidance thereof, is addressed in the LQF PPA.

Solar Integration Services Charge:        \$0.00239 per kWh

### Energy and Capacity Credits

Eligible Sellers shall be paid based upon the Eligible Seller's interconnection with Company's distribution or transmission system for all energy delivered to Company's system as registered or computed from Company's metering facilities. The Energy and Capacity Credit provided herein is based on a contract term of ten (10) years.

Duke Energy Progress, LLC  
(South Carolina Only)

SC Schedule PPL-4  
Superseding SC Schedule PPL-3

<u>Fixed Long-Term Rate (10 years)</u>	<u>Fixed Long-Term Rate (10 years)</u>
<u>Interconnected to Distribution</u>	<u>Interconnected to Transmission</u>

**Energy Credits (¢/kWh)<sup>2</sup>:**

On-peak kWh:

a. Summer	3.00	2.92
b. Winter		
1. Morning Hours	3.92	3.84
2. Evening Hours	4.27	4.18
c. Premium Peak		
1. Summer	3.22	3.12
2. Winter	5.12	4.98
d. Shoulder		
1. Morning/Evening Hours	3.04	3.00

Off-peak kWh:

a. Summer	2.83	2.78
b. Winter	3.49	3.44
c. Shoulder	2.61	2.58

**Capacity Credits (¢/kWh)<sup>3</sup>:**

On-peak kWh:

a. Winter	10.29	10.08
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<sup>2</sup> For Energy Credit purposes, Summer months are defined as calendar months June through September, Winter months are defined as calendar months December through February, and Shoulder months are defined as March through May and October through November. Summer on-peak hours shall be Monday through Friday from 1:00 p.m. to 4:00 p.m. and 8:00 p.m. to 9:00 p.m. Winter on-peak hours shall be Monday through Friday with morning hours from 4:00 a.m. to 6:00 a.m. and 9:00 a.m. to 11:00 a.m., plus evening hours from 6:00 p.m. to 10:00 p.m. Shoulder on-peak hours shall be Monday through Friday with morning hours from 5:00 a.m. to 10:00 a.m. plus evening hours from 5:00 p.m. to 11:00 p.m. Summer premium peak hours shall be Monday through Friday from 4:00 p.m. to 8:00 p.m. Winter premium peak hours shall be Monday through Friday from 6:00 a.m. to 9:00 a.m. There are no premium peak hours for Shoulder months. All other hours, plus the following holidays, shall be off-peak: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after, and Christmas Day. When a holiday falls on a Saturday,

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the Friday before the holiday will be considered off-peak; when the holiday falls on a Sunday, the following Monday will be considered off-peak.

- <sup>3</sup> Capacity Credit shall only be applicable in Winter months defined as calendar months of December through March. On-peak hours shall be all Winter days from 4:00 a.m. to 9:00 a.m.. Capacity credits are not applicable in all other months.

#### RENEWABLE ENERGY CREDITS

The sale of power under this Schedule does not convey to Company the right to renewable energy credits (RECs) or green tags associated with the energy delivered.

#### POWER FACTOR CORRECTION

For distribution-connected Eligible Sellers, unless Eligible Seller is required by an Operating Agreement to adjust VAR production to support voltage control, when Eligible Seller consumes VARs supplied by Company or Eligible Seller delivers VARs to Company, the monthly bill will be increased by a sum equal to \$0.30 multiplied by the maximum consumed or supplied reactive kilovolt-amperes (kVAR) registered by a demand meter suitable for measuring the demand used during a 15-minute interval.